

**ORDINANCE NO. 14-02**

**AN ORDINANCE AMENDING CHAPTER 14, "ZONING," SECTION 14.02.304, "DESCRIPTION AND PURPOSE OF DISTRICTS," AND APPENDIX 1, "LAND USE CHART," SECTION 14.02.381, "PERMITTED USE TABLE," TO ADD THE DEFINITION AND USE "NON-CHARTERED FINANCIAL INSTITUTION"**

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**WHEREAS**, Chapter 211 of the Vernon's Local Government Code empowers a city to enact zoning regulations and provide for their administration, enforcement and amendment; and

**WHEREAS**, the City of Leon Valley has previously deemed it necessary and desirable to adopt zoning regulations to provide for the orderly development of property within the City in order to promote the public health, safety, morals and general welfare of the residents of the City, and

**WHEREAS**, the City of Leon Valley, Texas finds and declares as a matter of public policy that there be orderly and safe development, redevelopment and/or occupancy of land within its city limits to protect the health, safety and welfare of its residents, businesses and the general public; and

**WHEREAS**, the City has an established Zoning Commission, which has been charged with undertaking the investigation and study of matters relating to the protection, enhancement, perpetuation or use of properties and structures, and to submit reports and recommendations thereon to the City Council; and

**WHEREAS**, the City encourages diversification of land uses and acknowledges that over saturation of certain like or similar land uses can be detrimental to communities and businesses by limiting goods and/or services and economic development as well as creating or spurring socioeconomic hardships; and

**WHEREAS**, the City is proactive and aware of the additional regulation by the Texas Legislature to regulate abusive practices by certain uses and businesses and the authority that they have given for municipalities to regulate such uses and practices; and

**WHEREAS**, foremost to the City is the protection and preservation of the health and welfare of its citizens and the general public from what comprehensive studies from the Federal Consumer Financial Protection Bureau indicate that non-chartered financial institutions "put consumers at risk" financially and what is meant to be a short-term solution becomes a long-term expense and burden; and

**WHEREAS**, the Planning and Zoning Commission of the City of Leon Valley provided adequate notice and held a public hearing in accordance with Chapter 211 of the Vernon's Local Government Code and has considered the need to amend Chapter 14 Zoning of the Leon Valley Code of Ordinances as specified herein; and

**WHEREAS**, the Planning and Zoning Commission of the City of Leon Valley has recommended approval of the amendments to the Zoning Regulations and the proposed amendments are uniform and conform to the plan and design of the City of Leon Valley's Zoning Ordinance; and

**WHEREAS**, the City Council of the City of Leon Valley has also held a public hearing regarding the need to amend Chapter 14 Zoning of the Leon Valley Code of Ordinances as specified herein; and

**WHEREAS**, Non-Chartered Financial Institutions are defined as a use, other than a State or Federally chartered bank, credit union, mortgage lender, savings and loan association or industrial loan company that offers deferred deposit transaction services or check cashing services and loans for payment of a percentage fee. The term "Non-Chartered Financial Institution" includes, but is not limited to, deferred deposit transaction (payday loan) businesses that make loans upon assignment of wages received, check cashing businesses that charge a percentage fee for cashing a check or negotiable instrument, and motor vehicle title lenders who offer a short-term loan secured by the title to a motor vehicle; and

**WHEREAS**, the City Council of the City of Leon Valley hereby finds and determines that the unregulated proliferation of Non-Chartered Financial Institutions results in a perception that the area is in economic decline; a negative effect on property value growth; displacement of full service banking institutions; and unaesthetic business appearances, including aggressive advertisement and bold and contrasting colors which are inconsistent with the surrounding commercial development resulting in reduced property values; and

**WHEREAS**, the City Council of the City of Leon Valley finds and determines that the adopted regulations will comply with the standards and purpose of zoning regulations and are in the best interest of public safety and the general welfare of the residents of the City of Leon Valley.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEON VALLEY, TEXAS:**

**I**

**Findings Incorporated**

That the legislative findings above are hereby incorporated into this ordinance as if fully set forth herein.

**II**

**Amendments**

That the City's Code of Ordinances Chapter 14 is hereby amended as follows:

**A.** Section 14.02.052 Definitions is amended by adding the following definitions:

*Car Title Loan Business.* An establishment that makes small short-term consumer loans secured by a title to a motor vehicle.

*Check Cashing Business.* A business that provides check cashing, payday cash advance, payroll advance, short-term cash loan, short term cash advance, Instant payday cash advance, short-term money loan services, or similar services to individuals for a specified fee.

*Money Transfer Business.* An establishment that transmits funds for a fee.

*Non-Chartered Financial Institution.* A Non-Chartered Financial Institution is defined as a use, other than State or Federally chartered bank, credit union, mortgage lender, savings and loan association or industrial loan company, that offers deferred deposit transaction services or check cashing services and loans for payment of a percentage fee or an establishment that provides financial services that are accessory to another main use. The term "non-chartered financial institution" shall include, but is not limited to deferred deposit transaction (payday loan) businesses that make loans upon assignment of wages received, check cashing businesses that charge a percentage fee for cashing a check or negotiable instrument, motor vehicle title lenders who offer a short-term loan secured by the title to a motor vehicle, and sub-prime or nonprime home-equity lenders. Non-profit financial institutions are not encompassed by the term non-chartered financial institution.

*Sub-Prime or nonprime loans.* A type of loan that is offered at a rate above prime to individuals who do not qualify for prime rate loans.

B. Section 14.02.325 is hereby added as follows:

**Sec. 14.02.325 Non-Chartered Financial Institution Regulations**

(a) Non-Chartered Financial Institutions shall be subject to the following regulations:

- (1) May not be located within a radius of 1,000 feet from the nearest existing Non-Chartered Financial Institution.
- (2) May not be located within 500 feet from the following land uses: residentially zoned parcels, any State or Federally chartered bank, savings association, credit union, or industrial loan company, religious institutions, school or day care facility, bar or liquor store, and pawn shops.
- (3) Storefronts shall have glass or transparent glazing in the window and doors and as prescribed by the Article 3.04 shall have no more than 10 percent of any window or door area covered by signs, banners or opaque coverings of any kind.

(4) Animated, moving, flashing, blinking, reflecting, revolving or similar type on premises signs are prohibited.

(5) May only operate within a freestanding building and may not operate in the same structure as any other use of the same type.

C. Sec. 14.02.381 Permitted Use Table is amended as shown in the attached Exhibit A.

### **III Severability Clause**

Should any section, or part of any section, or paragraph of this ordinance be declared invalid or unconstitutional for any reason, it shall not be held to invalidate or impair the validity, force or effect of any other section or sections, or part of a section or paragraph of this ordinance.

### **IV Savings Clause**

The repeal or amendment of any ordinance or part of ordinances effectuated by the enactment of this ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as discontinuing, abating, modifying, or altering any penalty accruing or to accrue or as affecting any rights of the City of Leon Valley under any section or provisions of any ordinances in effect at the time of passage of this ordinance.

### **V Cumulative**

The provisions of this ordinance shall be cumulative of all ordinances not repealed by this ordinance and ordinances governing or regulating the same subject matter as that covered herein. This ordinance shall not be construed to require or allow any act which is prohibited by any other ordinance.

### **VI Relation to Other Ordinances**

This ordinance shall not be construed to require or allow any act which is prohibited by any other ordinance. This ordinance is specifically subordinate to any ordinance or regulations of the City of Leon Valley pertaining to safety and welfare of citizens and property.

### **VII Penalty Clause**

Any person or entity violating any of the provisions of this ordinance shall upon conviction be fined a sum not to exceed \$2,000.00 per day and each and every

day that the provisions of this ordinance are violated shall constitute a separate and distinct offense. In addition to the penalty provided for, the right is hereby conferred and extended upon any property owner owning property in any district where such property owner may be affected or invaded by a violation of the terms of this ordinance to bring suit in such court having jurisdiction thereof and obtain such remedies as may be available at law and equity in the protection of the rights of such property owners.

### **VIII Proper Notice and Meeting**

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code. Notice was also provided as required by Chapter 52 of the Texas Local Government Code.

### **IX Effective Date**

The caption of this ordinance shall be published one (1) time in a newspaper having general circulation in the City of Leon Valley, Texas.

**PASSED, ADOPTED AND APPROVED** by the City Council of the City of Leon Valley this the 14<sup>th</sup> day of April, 2014.

**APPROVED**

*Chris Riley*  
**CHRIS RILEY**  
MAYOR

Attest:

*Saundra Passailaigue*  
**SAUNDRA PASSAILAIGUE, TRMC**  
City Secretary

Approved as to Form:

*Charles E. Zech*  
**CHARLES E. ZECH**  
City Attorney



# Exhibit A to Ordinance No. 14-02

## Sec. 14.02.381 Permitted Use Table

Use	O-1	B-1	B-2	B-3	I-1	SO	CIO	GO	Notes
P - Allowed by right      X - Not allowed      U - Per Underlying Zoning      SUP - Specific use permit SO - Sustainability Overlay      CIO - Commercial and Industrial Overlay      GO - Gateway Overlay									
Non-Chartered Financial Institution	X	X	P	P	P	U	U	U	***Not be located within a radius of 1,000 feet from the nearest existing Non-Chartered Financial Institution.  ***Not located within 500 feet from the following land uses: residentially zoned parcels, any State or Federally chartered bank, savings association, credit union, or industrial loan company, religious institutions, school or day care facility, bar or liquor store, and pawn shops. ***Storefronts shall have glass or transparent glazing in the window and doors and as prescribed by the Article 3.04 shall have no more than 10 percent of any window or door area covered by signs, banners or opaque coverings of any kind. Animated, moving, flashing, blinking, reflecting, revolving or similar type on premises signs are prohibited. ***May only operate within a freestanding building and may not operate in the same structure as any other use of the same type.